BRUCE E. SMITH LAW OFFICES, PLLC

201 SOUTH MAIN STREET

NICHOLASVILLE, KENTUCKY 40356 (859) 885-3393 + (859) 885-1152 FAX

BRUCE E. SMITH bruce@smithlawoffice net

RECEIVED

SEP 2 1 2011

PUBLIC SERVICE COMMISSION

August 24, 2011

VIA FACSIMILE: (502) 564-3460 AND U.S. MAIL, FIRST CLASS

Mr. Jeff R. Derouen Executive Director Kentucky Public Service Commission P.O. Box 615 Frankfort, Kentucky 40602-0615

Re: Case No. 2011-00297

Motion to Hold in Abeyance

Dear Sir:

Enclosed for filing is an original and eleven (11) copies of the above referenced document. Upon receipt and review, please call with any questions.

Sincerely,

Bruce E. Smith

Enclosures

g:\...\JSEWD\Forest Creek\PSC Proceeding\Derouen ltr 091911

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMMISSION

SEP 2 1 2011
PUBLIC SERVICE

COMMISSION

In the Matter of:

FOREST CREEK, LLC)	
COMPLAINANT)	
)	
VS.)	CASE NO. 2011-00297
)	
JESSAMINE-SOUTH ELKHORN)	
WATER DISTRICT)	
)	
DEFENDANT)	

MOTION TO HOLD IN ABEYANCE

Comes the Jessamine-South Elkhorn Water District ("District"), by counsel, and moves the Public Service Commission of Kentucky ("PSC") to hold this administrative action in abeyance until the Kentucky Court of Appeals, or higher appellate court, finally determines whether or not the PSC has the jurisdiction to hear the Complaint filed by Forest Creek, LLC ("FC").

On December 17, 2010, the District filed a Petition for Declaration of Rights against FC in the Jessamine Circuit that is designated as Civil Action No. 10-CI-1394. FC responded by answering this Petition and asserting a Counterclaim against the District. On June 23, 2011, the PSC served motions to not only intervene in this action, but also to dismiss it for lack of subject matter jurisdiction. On August 15, 2011, the Jessamine Circuit Court entered its Order permitting the PSC to intervene as a party defendant, and on August 24, 2011, the Court entered its final and appealable Order dismissing the action on the basis of a lack of subject matter

jurisdiction. The District timely filed a Notice of Appeal to the Kentucky Court of Appeals of

the Order dismissing on September 16, 2011 (See Exhibit "A" attached).

Consequently, there is now pending in the Kentucky Court of Appeals a review which

directly affects the PSC's authority to proceed and the PSC's jurisdiction is directly dependent

upon the appellate court's decision. The PSC has found it prudent and appropriate in past

proceedings before it to suspend action while there is a parallel proceeding or an issue

determinative of the PSC's actions posed by another lawsuit pending before the Courts of this

Commonwealth. See In the Matter of: Crestbrook Properties, LLC v. Northern Kentucky Water

District, Case No. 2001-00202; In the Matter of: Southeast Telephone, Inc.'s Motion to Compel

BellSouth Telecommunications Response Thereto, Case No. 2007-0071; and In the Matter of

Application of New Cingular Wireless PCS, LLC for Issuance of a Certificate of Public

Convenience and Necessity to Construct as Wireless Communications Facility at 114 Rising Son

Lane, Prestonsburg, Floyd County, Kentucky, 41653, Case No. 2009-00093.

The District respectfully requests the PSC to hold this matter in abeyance pending a final

determination as to its jurisdiction from the Courts of this Commonwealth.

Respectfully Submitted,

BRUCE E. SMITH

BRUCE E. SMITH LAW OFFICES, PLLC

201 SOUTH MAIN STREET

NICHOLASVILLE, KY 40356

(859) 885-3393

Fax: (859) 885-1152

bruce@smithlawoffice.net

ATTORNEY FOR DEFENDANT

2

CERTIFICATE OF SERVICE:

The undersigned hereby certifies that a true copy of the foregoing Answer was served on the following by U.S. Mail, first class, postage prepaid, on September 19th, 2011:

Robert C. Moore, Esq. P.O. Box 676 Frankfort, Kentucky 40602-0676 **Counsel for Complainant**

Bruce E. Smith

g.\...\JSEWD\Forest Creek\PSC Proceeding\Motion to Hold In Abeyance 91911

FILED

SEP 1 6 2011

COMMONWEALTH OF KENTUCKY THIRTEENTH JUDICIAL DISTRICT DOUG FAIN, JESSAMINE CIRCUIT CLERK JESSAMINE CIRCUIT COURT CIVIL ACTION NO. 10-CI-01394

BY:

JESSAMINE-SOUTH ELKHORN WATER DISTRICT

PLAINTIFF/APPELLANT

v.

NOTICE OF APPEAL

FOREST CREEK, LLC and PUBLIC SERVICE COMMISSION OF KENTUCKY

DEFENDANTS/APPELLEES

* * * * *** *** ***

Comes the Plaintiff/Appellant, Jessamine-South Elkhorn Water District, and hereby appeals to the Kentucky Court of Appeals the Order of the Jessamine Circuit Court, entered August 24, 2011 (attached).

The Plaintiff/Appellant, Jessamine-South Elkhorn Water District, is represented by Bruce E. Smith, Esq., 201 South Main Street, Nicholasville, Kentucky 40356.

The Defendant/Appellee, Forest Creek, LLC, is represented by Robert L. Gullette, Jr., Esq., P.O. Box 915, Nicholasville, Kentucky 40340-0915.

The Defendant/Appellant, Public Service Commission of Kentucky, is represented by Helen C. Helton, Esq. and Gerald E. Wuetcher, Esq., P.O. Box 615, Frankfort, Kentucky 40602-0615.

UCE E. SMITH, ESQ.

BRUCE E. SMITH LAW OFFICES, PLLC

201 SOUTH MAIN STREET

NICHOLASVILLE, KY 40356

(859) 885-3393

ATTORNEY FOR PLAINTIFF/APPELLANT

EXHIBIT "A"

CERTIFICATE OF SERVICE

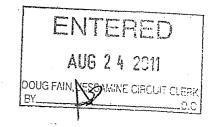
I hereby certify that a true copy of the foregoing Notice of Appeal was served this 16th day of September, 2011, by mailing same, postage prepaid, to the following:

Robert L. Gullette, Jr., Esq. P.O. Box 915 Nicholasville, Kentucky 40340 Helen C. Helton, Esq. Gerald E. Wuetcher, Esq. Public Service Commission of Kentucky P.O. Box 615 Frankfort, Kentucky 40602-0615

BRUCE E. SMITH

g:\...\JSEWD/Forest Creek\Notice of Appeal 91611

COMMONWEALTH OF KENTUCKY THIRTEENTH JUDICIAL CIRCUIT JESSAMINE CIRCUIT COURT CIVIL ACTION NO. 10-CI-1394



JESSAMINE-SOUTH ELKHORN WATER DISTRICT

PLAINTIFF

٧.

ORDER

FOREST CREEK, LLC

DEFENDANT

The Public Service Commission of Kentucky ("Commission"), having been permitted to intervene in this matter, has moved to dismiss this action for lack of subject matter jurisdiction. Having heard the motion and being sufficiently advised, the Court FINDS that the Plaintiff's Petition for Declaration of Rights involves issues of utility rates and service that, pursuant to KRS 278.040(2), are within the Commission's exclusive jurisdiction, and that this Court lacks subject matter jurisdiction.

IT IS THEREFORE ORDERED that:

- 1. The Commission's Motion to Dismiss is granted.
- 2. Plaintiff's Petition for Declaration of Rights is dismissed for lack of subject matter jurisdiction.

This is a final and appealable order. There is no just reason for delay.

So ordered this 24 day of August, 2011.

JUDGE, Jessamine Circuit Court

A TRUE COPY ATTEST: DOUG FAIN, JESSAMINE CIRCUIT CLERK

Shylugg/____DEPUTY

DISTRIBUTION LIST

Bruce E. Smith, Esq. Bruce E. Smith Law Offices, PLLC 201 South Main Street Nicholasville, Kentucky 40356

Robert L. Gullette, Jr., Esq. Post Office Box 915 Nicholasville, Kentucky 40340

Robert C. Moore, Esq. Hazelrigg and Cox, LLP Post Office Box 676 Frankfort, Kentucky 40602-0676

Helen C. Helton, Esq. Gerald E. Wuetcher, Esq. Public Service Commission of Kentucky Post Office Box 615 Frankfort, Kentucky, 40602-0615